GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:7696
ANSWERED ON:16.05.2002
PURCHASE OF CRUDE IOL BY BPCL
GOWDAR MALLIKARJUNAPPA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Bharat Petroleum Corporation Limited has contracted to buy about 8 million tonnes of crude oil for the next year;

(b) if so, whether a crude supply contract with the three Gulf companies Saudi Aramco, Yemen Oil and Gas and Kuwait Petroleum has been signed recently; and

(c) if so, the main features of the agreement?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b) Bharat Petroleum Corporation Limited (BPCL) has signed term contract for import of 4.00 million metric tonnes (MMT) of crude oil during 2002-03 with Saudi Aramco, and Kuwait Petroleum Corporation Ltd. BPCL is also discussing with the national oil companies of Yemen, Malaysia and Abu Dhabi for import of crude oil.

(c) The main features of the agreement include:-

(i) The contracted quantity will be supplied to the buyer over the year on a monthly loading basis.

(ii) The crude will be uplifted on FOB basis by the buyer`s vessel in parcel sizes of 450-650 KB.

(iii) Payment for the crude will be made on the basis of official selling price (OSP) announced by the seller for every month.